

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 Dover, Delaware 19904-2467

STATE OF DELAWARE **DEPARTMENT OF STATE**

DIVISION OF PROFESSIONAL REGULATION

TELEPHONE: (302) 744-4500 Fax: (302) 739-2711

WEBSITE: WWW.DPR.DELAWARE.GOV

PUBLIC MEETING MINUTES: **DELAWARE REAL ESTATE COMMISSION**

MEETING DATE AND TIME: Thursday, March 8, 2012 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, Second Floor of the Cannon Building

MINUTES APPROVED: April 12, 2012

MEMBERS PRESENT

Andrew Staton, Professional Member, Chairman Christopher J. Whitfield, Professional Member, Vice Chairman Michael Harrington, Sr., Professional Member, Secretary James C. Brannon, Jr., Public Member Gilbert Emory, Public Member Ricky H. Allamong, Professional Member Vincent M. White, Professional Member Joseph F. McCann, Public Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

James Collins, Director, Division of Professional Regulation Eileen Heeney, Deputy Attorney General Gayle Melvin, Administrative Specialist III Jessica Williams, Administrative Specialist II

MEMBER ABSENT

Patricia O'Brien, Public Member

ALSO PRESENT

Emma Payne Dee Hake DeMolen Susan Clark Doug Doyle

Crystal Hudson, SCAOR Denise Tatman, DAR Andrew Taylor, Esquire Hugh Smith Vera Sitze, Court Reporter

CALL TO ORDER

Mr. Staton called the meeting to order at 9:06 a.m.

REVIEW OF MINUTES

A motion was made by Mr. Emory, seconded by Mr. Harrington to approve the minutes of the meeting held on February 9, 2012. The motion passed unanimously.

NEW BUSINESS

Applications for Licensure

Ratification of Salesperson Applications

A motion was made by Mr. Allamong, seconded by Mr. Emory to ratify the following new salesperson applicants as presented:

Wayne Hunt, Tactix Real Estate Advisors, LLC, Radnor, PA Robert Conner, Tactix Real Estate Advisors, LLC, Radnor, PA Angela Ferguson, Prudential Fox & Roach, Newark, DE Paula Searle, Coldwell Banker, Bethany Beach, DE Judy Rayner, Long & Foster Real Estate, Rehoboth Beach, DE Gwendolyn Hill, Atlantic & Pacific Real Estate, LLC, Dover, DE Brian Wherty, Equity Retail Brokers, Conshohocken, PA Debra Shearer, Active Adult Realty, Lewes, DE Kristina Lingo, Jack Lingo Realtor, Rehoboth Beach, DE Ryan Gorman, Long & Foster, Bear, DE Pamela Ball, Century 21 Absolute Realty, Springfield, PA Robin Thomas, Prudential Fox & Roach, Bear, DE

The motion passed unanimously.

Review of Salesperson Applications

The application of Valerie Reilly for a salesperson's license was reviewed. A motion was made by Mr. Harrington, seconded by Mr. Allamong to approve this application. The motion passed unanimously.

The application of John Griffith for a salesperson's license was reviewed. A motion was made by Mr. Harrington, seconded by Mr. Allamong to approve this application. The motion passed unanimously.

Review of Associate Broker Applications

A motion was made by Mr. Brannon, seconded by Mr. Whitfield to approve the following associate broker applications:

Susan Giove Michael Harrington, Jr. Cynthia Fleming

The motion passed by majority vote. Mr. Harrington recused himself from the vote.

Review of Application for Reinstatement

The application of Craig DiSabatino for reinstatement of a salesperson's license was reviewed. A motion was made by Mr. White, seconded by Mr. Emory to approve Mr. DiSabatino for reinstatement pending passing the state portion of the exam. The motion passed unanimously.

Status of Complaints

Complaint No. 02-31-10 - Closed Complaint No. 02-34-10 - Closed Complaint No. 02-37-10 - Closed Complaint No. 02-39-10 - Closed Complaint No. 02-10-11 - Referred to the Attorney General's Office

Complaint No. 02-03-12 – Assigned to Mr. Harrington

Complaint No. 02-26-10 - Closed

Review of Letter from Sandra Milner Requesting an Extension for Obtaining her Continuing Education

The letter from Sandra Milner requesting an extension for obtaining her continuing education was reviewed. A motion was made by Mr. Allamong, seconded by Mr. White to decline Ms. Milner's request because she has the ability to go on inactive status. The motion did not pass. Mr. Emory, Mr. Brannon, Mr. Staton, Mr. Whitfield, Mr. Harrington and Mr. McCann voted against the motion. A motion was made by Mr. Whitfield, seconded by Mr. Harrington to grant Ms. Milner a 6-month extension. The motion passed by majority vote. Mr. Allamong and Mr. White voted against the motion.

Mr. Whitefield reported that he had spoken with Mr. Collins about continuing education. Mr. Collins advised him that the Division is looking at a computer tracking system where a licensee could log in their continuing education courses and submit copies of their certificates. It would also allow course providers to log in the names of the licensees who attended courses. The system could be used for 100% audit of licensees.

HEARING

Hugh Smith Regarding the Commission's Proposal to Deny of His Application for a Broker's License

Ms. Heeney called the formal hearing to order at 9:28 a.m. Mr. Allamong recused himself from the hearing. At its meeting on January 12, 2012, the Commission proposed to deny Mr. Smith's application for a non-resident broker's license because he did not meet the requirements for licensure set forth in Rule and Regulation 3.2.2 which states that the applicant shall submit to the Commission a list of at least thirty (30) sales or other qualified transactions, showing dates, location, purchaser's name and seller's name. These sales must have been made by the applicant within the previous five (5) years through the general brokerage business and not as a representative of a builder, developer, and/or subdivider. Transactions involving time-shares, leases, or property management are not qualified transactions for purposes of obtaining a real estate broker's license. The Commission reserves the right to waive any of the above requirements, upon evidence that the applicant possesses sufficient

experience in the real estate business or demonstrates collateral experience to the Commission. Mr. Smith set forth, in writing, that he wished to waive his right to 20 days' notice of the hearing and wanted to proceed with the matter at this meeting.

Present for the hearing was Mr. Smith. Verbatim testimony was recorded by the court reporter. Mr. Smith presented testimony and answered questions from Commissioners.

The Commission went off the record at 9:34 a.m. to hold deliberations. The Commission went back on the record at 9:35 a.m. A motion was made by Mr. Harrington, seconded by Mr. Whitfield to approve Mr. Smith's application for a broker's license. The motion passed unanimously. The hearing ended at 9:36 a.m.

NEW BUSINESS CONTINUED

Education Committee Report

Mr. Doyle reviewed the approvals from the Education Committee meeting held on March 1, 2012. He reported that the requests from Beverly Kammermeier and Authur Putzel from the March meeting should not have been tabled and the request from Margaret Cavanaugh from the February meeting should not have been denied. Based on the education guidelines, these requests should have been approved. A motion was made by Mr. Harrington, seconded by Mr. Whitfield to approve the requests from Ms. Kammermeier, Mr. Putzel and Ms. Cavanaugh. The motion passed unanimously.

Recommendation to Approve and Deny Course Providers, Instructor Applications and Student Requests as Noted

A motion was made by Mr. Harrington, seconded by Mr. Whitfield to approve and deny course providers, instructor applications and student requests as noted in the minutes of the March 1, 2012 meeting of the Real Estate Education Committee with the noted exceptions. The motion passed unanimously.

Review Resume from Albert Hause for Appointment to the Education Committee to Fill the Kent County Vacancy

The Commission reviewed the resume of Albert Hause for appointment to the Education Committee as a Kent County public member. A motion was made by Mr. White, seconded by Mr. Harrington to approve the appointment of Mr. Hause to the Education Committee. The motion passed unanimously.

Review of Applications for New Offices

The application of Delmarva Resorts Realty for a new office was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Brannon to approve this application. The motion passed unanimously.

The application of Lighthouse Realty Group, Inc. for a new office was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Brannon to approve this application. The motion passed unanimously.

The application of Concord Realty Group for a new office was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Brannon to approve this application. The motion passed unanimously.

Report from Mr. Staton and Mr. Harrington on Their Meeting With the Maryland Real Estate Commission

Mr. Harrington reported that he and Mr. Staton had met with Nick D'Ambrosia, Kathy Connelly, Patricia Hannon and Anne Cooke with the Maryland Real Estate Commission to discuss continuing education and reciprocity. They discussed that both states requires some of the same continuing education courses. They also discussed why Maryland does not accept courses from Delaware. It is because in Delaware, courses can be given by individuals and companies that are not approved as a school. In Maryland, a continuing education provider has to be an approved school. The Commission discussed that new continuing education guidelines may be implemented in the near future and this should be deferred until the new guidelines become effective. A motion was made by Mr. Harrington, seconded by Mr. Whitfield to defer this matter to the Subcommittee to Review Statute Revisions. The motion passed unanimously.

<u>Discussion:</u> Requirements for Transferring a License from a Company Out-of-State to a Company in Delaware

Ms. Melvin asked about the process for transferring a license from a company that is located outside of Delaware to a company that is located in Delaware. It was decided that a licensee would have to meet one of the three options as required by the statute and rules and regulations for applying for a reciprocal license.

OLD BUSINESS

Review of Proposed Revisions to the Real Estate Education Guidelines and Rules and Regulations

Mr. Whitfield stated his reasons for not increasing the continuing education hours at this time and to leave the continuing education requirements for the 2012 to 2014 renewal cycle as they currently are. He stated that the requirements for the twelve credit hours for newly licensed salespersons need to be rewritten and what happens if no classes are available to licensees. He also stated that two months of the renewal period will have passed when the new rules and regulations become effective, online classes will not be available for possibly another six months and that licensees may not have enough time to complete the continuing education requirements. Licensees should be given a full renewal cycle to obtain their continuing education. He felt the Commission was rushing into something that they were not prepared for. A discussion was held concerning Mr. Whitfield's comments. The Commission discussed increasing the number of hours, online courses being available and quality, not quantity of the courses. A motion was made by Mr. Whitfield, seconded by Mr. Emory to keep the education program status quo at 15 hours with better course content and not to increase the continuing education hours for the renewal cycle beginning May 1, 2012. The motion did not pass. Mr. Allamong, Mr. Brannon, Mr. McCann, Mr. Staton and Mr. White voted against the motion.

The Commission took a recess from 11:12 a.m. to 11:25 a.m.

The Commission reviewed the proposed changes to the rules and regulations. A motion was made by Mr. White, seconded by Mr. Brannon to use Ms. Heeney's proposed chart for the amount of pro-rated continuing education hours that new licensees would need for proposed rules and regulations 13.2.1.1 to 13.2.1.4. The motion passed by majority vote. Mr. Whitfield voted against the motion. A motion was made by Mr. Allamong, seconded by Mr. Brannon to approve the proposed rules and regulations as amended. The motion passed by majority vote. Mr. Whitfield voted against the motion.

The Commission reviewed the proposed changes to the continuing education guidelines. It was decided to delete the number of hours for each section in Rule and Regulation 5.3. Rule and Regulation 5.4 should reference Rule and Regulation 8.4.4. Rule and Regulation 5.8 should reference Rules and Regulations 8.0 and 10.0. A motion was made by Mr. White, seconded by Mr. Brannon to

approve the continuing education guidelines as amended. The motion passed by majority vote. Mr. Whitfield voted against the motion.

Sign Final Order from Hearing Held for Linda Bradley-Thompson

The final order from the hearing held for Linda Bradley-Thompson was signed by Commission members.

Discussion: Updating the Pamphlet Versions of the Consumer Information Statements

This was tabled until the next meeting.

Review Draft of Letter Opposing House Bill 249

The draft of the letter opposing House Bill 249 written by Mr. Allamong was reviewed by Commission members. A motion was made by Mr. Whitfield, seconded by Mr. Brannon to approve the letter. The motion passed unanimously.

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

Mr. Whitfield suggested that the Subcommittee to Review State Revisions be changed to the Subcommittee on Education and Reciprocity. He also suggested that Mr. Harrington and Doug Doyle be added to the Subcommittee and that Mr. Harrington be the Chairperson. This will be on the agenda for the next meeting.

PUBLIC COMMENT

There was no public comment.

NEXT SCHEDULED MEETING

The next meeting will be held on Thursday, April 12, 2012 at 9:00 a.m.

ADJOURNMENT

A motion was made by Mr. Whitfield, seconded by Mr. Brannon to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 12:06 p.m.

Respectfully submitted,

Dayle & Melvin

Gayle L. Melvin

Administrative Specialist III